



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 16, 1998

H.R. 3248

Dollars for the Classroom Act

*As ordered reported by the House Committee on Education and the Workforce
on June 24, 1998.*

SUMMARY

H.R. 3248 would repeal 29 elementary and secondary education programs (3 of which did not receive appropriations in 1998) and replace them with a single block grant to states. This act would authorize appropriations of \$2.7 billion in 1999, \$2.8 billion in 2000, \$2.9 billion in 2001, \$2.9 billion in 2002 and \$3.0 billion in 2003. Most programs that would be repealed are currently authorized through 1999. The General Education Provisions Act (GEPA) extends authorizations through 2000. CBO estimates that the bill would provide additional authorizations of \$9.5 billion over the 1999-2003 period. Because H.R. 3248 would not affect direct spending or receipts, pay-as-you-go procedures would not apply.

This bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). Although the bill would impose requirements on states and local education agencies as a condition for receiving funding under the new block grant, these requirements would generally be similar to, or less stringent than, requirements under current law.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 3248 is shown in the following tables.

Table 1. Estimated Budgetary Impact of H.R. 3248, summary

	By Fiscal Year, in Millions of Dollars					
	1998	1999	2000	2001	2002	2003
SUBJECT TO APPROPRIATION						
Without Adjustments for Inflation						
Spending Under Current Law						
Estimated Authorization Level ^a	2,686	2,686	2,190	0	0	0
Estimated Outlays	1,786	2,427	2,623	2,223	672	107
Proposed Changes						
Estimated Authorization Levels	0	54	610	2,870	2,940	3,001
Estimated Outlays	0	-4	82	895	2,307	2,838
Total Spending Under H.R. 3248						
Estimated Authorization Levels ^a	2,686	2,740	2,800	2,870	2,940	3,001
Estimated Outlays	1,786	2,423	2,705	3,118	2,980	2,945
With Adjustments for Inflation						
Spending Under Current Law						
Estimated Authorization Level ^a	2,686	2,745	2,291	0	0	0
Estimated Outlays	1,786	2,430	2,667	2,303	700	112
Proposed Changes						
Estimated Authorization Levels	0	-5	509	2,870	2,940	3,001
Estimated Outlays	0	-7	39	830	2,285	2,835
Total Spending Under H.R. 3248						
Estimated Authorization Levels ^a	2,686	2,740	2,800	2,870	2,940	3,001
Estimated Outlays	1,786	2,423	2,706	3,134	2,985	2,946

Note: Components may not sum to totals due to rounding.

a. The 1998 level is the amount appropriated for that year.

Table 2. Estimated Impact of H.R. 3248 on Spending Subject to Appropriation, Without Adjustments for Inflation

	By Fiscal Year, in Millions of Dollars				
	1999	2000	2001	2002	2003
Goals 2000: Educate America Act					
Title III-Systematic Reform Grants					
Estimated Authorization Levels	-466	0	0	0	0
Estimated Outlays	-23	-303	-117	-23	0
Title IV-Parental Assistance					
Estimated Authorization Levels	-25	0	0	0	0
Estimated Outlays	-1	-16	-6	-1	0
Title VI-International Education					
Estimated Authorization Levels	-5	0	0	0	0
Estimated Outlays	*	-3	-1	*	0
School to Work Opportunity Act					
Estimated Authorization Levels	-400	-400	0	0	0
Estimated Outlays	-20	-260	-100	-20	0
Elementary and Secondary Education Act (ESEA)					
Title I, Sec 1502-Comprehensive School Reform					
Estimated Authorization Levels	-120	-120	0	0	0
Estimated Outlays	-6	-78	-30	-6	0
Title II, Part A-Eisenhower Professional Development Program					
Estimated Authorization Levels	-23	-23	0	0	0
Estimated Outlays	-3	-19	-20	-5	*
Title II, Part B-Eisenhower Professional Development Program					
Estimated Authorization Levels	-335	-335	0	0	0
Estimated Outlays	-17	-235	-302	-101	-17
Title III, Section 3132-School Technology Resource Grants					
Estimated Authorization Levels	-541	-541	0	0	0
Estimated Outlays	-27	-379	-487	-162	-27
Title III, Part B- Star Schools					
Estimated Authorization Levels	-34	-34	0	0	0
Estimated Outlays	-2	-24	-31	-10	-2

Continued

Table 2. Continued

	By Fiscal Year, in Millions of Dollars				
	1999	2000	2001	2002	2003
Title III,Part C- Ready-to-Learn Television					
Estimated Authorization Levels	-7	-7	0	0	0
Estimated Outlays	*	-5	-6	-2	0
Title III,Part D-Telecommunications Project for Math					
Estimated Authorization Levels	-2	-2	0	0	0
Estimated Outlays	*	-1	-2	-1	*
Title V, Part A- Magnet Schools					
Estimated Authorization Levels	-101	-101	0	0	0
Estimated Outlays	-5	-71	-91	-30	-5
Title V, Part B- Woman's Educational Equity					
Estimated Authorization Levels	-3	-3	0	0	0
Estimated Outlays	*	-2	-3	-1	*
Title VI-Innovative Education Program Strategy					
Estimated Authorization Levels	-350	-350	0	0	0
Estimated Outlays	-18	-245	-315	-105	-18
Title IX, Part B- Native Hawaiian Education					
Estimated Authorization Levels	-18	-18	0	0	0
Estimated Outlays	-1	-13	-16	-5	-1
Title IX, Part C- Alaska Native Education					
Estimated Authorization Levels	-8	-8	0	0	0
Estimated Outlays	*	-6	-7	-2	0
Title X, Part A- Fund for the Improvement of Education					
Estimated Authorization Levels	-108	-108	0	0	0
Estimated Outlays	-5	-76	-97	-32	-5
Title X, Part B- Javits Gifted and Talented Program					
Estimated Authorization Levels	-7	-7	0	0	0
Estimated Outlays	-1	-5	-6	-1	*
Title X, Part D- Arts in Education					
Estimated Authorization Levels	-11	-11	0	0	0
Estimated Outlays	-1	-7	-9	-3	-1

Continued

Table 2. Continued

	By Fiscal Year, in Millions of Dollars				
	1999	2000	2001	2002	2003
Title X, Part F- Civic Education					
Estimated Authorization Levels	-6	-6	0	0	0
Estimated Outlays	-1	-4	-5	-1	0
Title X, Part G- Ellender Fellowships					
Estimated Authorization Levels	-2	-2	0	0	0
Estimated Outlays	*	-1	-1	*	*
Title X, Part I- 21st Century Community Learning Centers					
Estimated Authorization Levels	-40	-40	0	0	0
Estimated Outlays	-5	-32	-34	-8	-1
Title X, Part K- National Writing Project					
Estimated Authorization Levels	-5	-5	0	0	0
Estimated Outlays	-1	-4	-4	-1	*
Title XIII, Part A- Comprehensive Regional Assistance Centers					
Estimated Authorization Levels	-27	-27	0	0	0
Estimated Outlays	-1	-19	-24	-8	-1
Title XIII, Part C- Eisenhower Regional Consortium					
Estimated Authorization Levels	-15	-15	0	0	0
Estimated Outlays	-2	-12	-13	-3	*
McKinney Act					
Title VII- Education for Homeless Children					
Estimated Authorization Levels	-29	-29	0	0	0
Estimated Outlays	-1	-20	-26	-9	-1
Block Grant					
Authorization Levels	2,740	2,800	2,870	2,940	3,001
Estimated Outlays	137	1,921	2,649	2,850	2,919
Total Proposed Changes					
Estimated Authorization Levels	54	610	2,870	2,940	3,001
Estimated Outlays	-4	82	895	2,307	2,838

Note: Components may not sum to totals due to rounding.

* Less than \$500,000.

Table 3. Estimated Impact of H.R. 3248 on Spending Subject to Appropriation, With Adjustments for Inflation

	By Fiscal Year, in Millions of Dollars				
	1999	2000	2001	2002	2003
Goals 2000: Educate America Act					
Title III-Systematic Reform Grants					
Estimated Authorization Levels	-476	0	0	0	0
Estimated Outlays	-24	-310	-119	-24	0
Title IV-Parental Assistance					
Estimated Authorization Levels	-26	0	0	0	0
Estimated Outlays	-1	-17	-6	-1	0
Title VI-International Education					
Estimated Authorization Levels	-5	0	0	0	0
Estimated Outlays	*	-3	-1	*	0
School to Work Opportunity Act					
Estimated Authorization Levels	-409	-418	0	0	0
Estimated Outlays	-20	-257	-102	-20	0
Elementary and Secondary Education Act (ESEA)					
Title I, Sec 1502-Comprehensive School Reform					
Estimated Authorization Levels	-123	-126	0	0	0
Estimated Outlays	-6	-80	-31	-6	0
Title II, Part A-Eisenhower Professional Development Program					
Estimated Authorization Levels	-24	-24	0	0	0
Estimated Outlays	-3	-20	-21	-5	*
Title II, Part B-Eisenhower Professional Development Program					
Estimated Authorization Levels	-342	-350	0	0	0
Estimated Outlays	-17	-240	-313	-105	-18
Title III, Section 3132-School Technology Resource Grants					
Estimated Authorization Levels	-553	-566	0	0	0
Estimated Outlays	-28	-388	-506	-169	-28
Title III, Part B - Star Schools					
Estimated Authorization Levels	-35	-36	0	0	0
Estimated Outlays	-2	-24	-32	-11	-2

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	By Fiscal Year, in Millions of Dollars				
	1999	2000	2001	2002	2003
Title III, Part C - Ready-to Learn Television					
Estimated Authorization Levels	-7	-7	0	0	0
Estimated Outlays	*	-5	-7	-2	*
Title III, Part D - Telecommunications Project for Math					
Estimated Authorization Levels	-2	-2	0	0	0
Estimated Outlays	*	-1	-2	-1	*
Title V, Part A- Magnet Schools					
Estimated Authorization Levels	-103	-106	0	0	0
Estimated Outlays	-5	-72	-94	-32	-5
Title V, Part B- Woman's Educational Equity					
Estimated Authorization Levels	-3	-3	0	0	0
Estimated Outlays	*	-2	-3	-1	*
Title VI-Innovative Education Program Strategy					
Estimated Authorization Levels	-358	-366	0	0	0
Estimated Outlays	-18	-251	-327	-109	-18
Title IX, Part B- Native Hawaiian Education					
Estimated Authorization Levels	-18	-19	0	0	0
Estimated Outlays	-1	-13	-17	-6	-1
Title IX, Part C- Alaska Native Education					
Estimated Authorization Levels	-8	-8	0	0	0
Estimated Outlays	*	-6	-7	-3	0
Title X, Part A- Fund for the Improvement of Education					
Estimated Authorization Levels	-110	-113	0	0	0
Estimated Outlays	-6	-77	-101	-34	-6
Title X, Part B- Javits Gifted and Talented Program					
Estimated Authorization Levels	-7	-7	0	0	0
Estimated Outlays	-1	-5	-6	-1	*

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Table 3. Continued

	By Fiscal Year, in Millions of Dollars				
	1999	2000	2001	2002	2003
Title X, Part D- Arts in Education					
Estimated Authorization Levels	-11	-11	0	0	0
Estimated Outlays	-1	-8	-10	-3	-1
Title X, Part F- Civic Education					
Estimated Authorization Levels	-6	-6	0	0	0
Estimated Outlays	-1	-5	-5	-1	*
Title X, Part G- Ellender Fellowships					
Estimated Authorization Levels	-2	-2	0	0	0
Estimated Outlays	*	-1	-1	*	*
Title X, Part I- 21st Century Community Learning Centers					
Estimated Authorization Levels	-41	-42	0	0	0
Estimated Outlays	-5	-33	-36	-8	-1
Title X, Part K- National Writing Project					
Estimated Authorization Levels	-5	-5	0	0	0
Estimated Outlays	-1	-4	-4	-1	*
Title XIII, Part A- Comprehensive Regional Assistance Centers					
Estimated Authorization Levels	-28	-28	0	0	0
Estimated Outlays	-1	-19	-25	-8	-1
Title XIII, Part C- Eisenhower Regional Consortium					
Estimated Authorization Levels	-15	-16	0	0	0
Estimated Outlays	-2	-12	-13	-3	-1
McKinney Act					
Title VII- Education for Homeless Children					
Estimated Authorization Levels	-29	-30	0	0	0
Estimated Outlays	-1	-21	-26	-9	-2
Block Grant					
Authorization Levels	2,740	2,800	2,870	2,940	3,001
Estimated Outlays	137	1,921	2,649	2,850	2,919
Total Proposed Changes					
Estimated Authorization Levels	-5	509	2,870	2,940	3,001
Estimated Outlays	-7	39	830	2,285	2,835

Note: Components may not sum to totals due to rounding.

*, Less than \$500,000.

BASIS OF ESTIMATE

Under this bill, authorizations would amount to \$2.7 billion for fiscal year 1999 and would total \$14.3 billion over the 1999-2003 period. CBO estimates the authorization level of the block grant in 1999 would be \$54 million higher than the 1998 appropriation for the programs that would be repealed, but \$5 million lower than the appropriations adjusted for inflation.

Among the significant legislation that would be repealed by this bill are the School to Work Opportunities Act, various components of the Elementary and Secondary Education Act, and much of the Goals 2000: Educate America Act. Tables 2 and 3 display the spending of the programs that would be repealed.

In replacing the repealed programs with a block grant, H.R. 3248 authorizes an additional \$9.5 billion in new spending for the 1999-2003 period, relative to the current authorization without adjustments for inflation. The ends towards which these new funds would be applied are substantively similar to the goals of the programs H.R. 3248 would repeal.

H.R. 3248 would establish explicit authorization levels for the block grant for each fiscal year from 1999 through 2003. CBO estimates that funds appropriated under this bill would be spent out at rates similar to the weighted average of the historical rates for the programs that the block grant would replace.

The costs of this legislation fall within budget function 500 (education, training, employment, and social services).

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 3248 contains no intergovernmental or private-sector mandates as defined in UMRA. The bill would consolidate 29 federal education programs into a single block grant for states. CBO estimates that states and local education agencies would receive \$14.3 billion in grants for the 1999-2003 period, assuming the appropriation of the necessary funds. Under the new block grant, states would be required to distribute at least 95 percent of the funds to local education agencies, who could generally use them for the same purposes authorized by the programs being consolidated. By restricting funding to non-classroom activities, including

program administration, the bill could change how funds are allocated within a state. Other requirements imposed on states and local education agencies by the block grant would be similar to, or less stringent, than those in current law. Finally, the bill would extend to all states the opportunity to apply for the ED-FLEX program. This program currently allows 12 states to request the authority to waive many federal education requirements.

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